Locations and Performance of Public Sector Cotton Mills

230 SHRI RAHASBIHARI BARIK: Will the Minister of TEXTILES be pleased to state:

(a) the number of public sector cotton mills in the country and the State-wise location thereof;

(b) the performance of each public sector cotton mill during the last three years, year-wise; and

(c) whether Government have drawn up any programme to improve the performance of those cotton mills and also to implement some measures for the welfare of the workers working in those cotton mills and the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KAMAL NATH): (a) and (b) There are 119 mills in operation under the National Textile Corporation and 3 cotton mills under the British India Corporation. A statement indicating the names and locations of these 122 mills and the net profit/loss incurred by these mills during the last 3 years 1992-93 to 1994-95 is indicated in the annexure [*See* Appendix 175, Annexure No. 3]

(c) On account of obsolete machinery, excess man-power, shortage of working capital etc., 8 out of the 9 subsidiaries of NTC have been incurring losses and have been referred to the B. I. F. R. The BIFR has declared them to be sick indusrial companies. Government have approved a revised Turn Around Strategy for modernisation of NTC mills. The Turn Around Plan has been placed before the BIFR for its approval before implementation. Also Government is of ring VRS for the surplus workers offe NTC, BIC. Under the VRS, ex-gratia payment equivalent to 1½ months emoluments for each completed year of service or monthly emoluments at the time of VRS multiplied by the remaining months of service before the normal date of retirement, whichever is lower, is paid in addition to normal terminal benefits. Also a rehabilitation fund for retraining and redeployment of workers who avail of VRS is envisaged. Schemes have also been formulated to enable the rationalised workers to set up powerlooms/reeling units.

The cases of the BIC cotton units are also under consideration of AAIFR.

Increase in Foreign Debt

231. SHRI V. RAJAN CHELLAPPA: Will the Minister of FINANCE be pleased to state:

(a) the amount of foreign debt likely to increase during the year 1995-96;

(b) the present ratio between foreign loan and its repayment; and

(c) the percentage of foreign loan spent by India to repay its loan during the year 1994-95?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI PROSAD PAL): (a) The likely increase in foreign debt outstanding would depend on a number of factors in both the current and capital account of our balance of payments including the growth of exports, foreign exchange earnings, fresh debt to be incurred, debt servicing to be made etc. In view of uncertainties in these accounts it is not possible to precisely indicate the likely increase in external debt stock during 1995-96.

(b) and (c) External resources are mobilised to bridge the gap between the total investment outlay and internal resources available for the plan development of the country. It is used for meeting the foreign exchange requirements of the project and non-project needs of the country. However, it may be mentioned that the debt service ratio is normally computed on the basis of debt service payment (i.e, repayment of principal and payment of interest) as percentage to current receipts i.e. export of goods and invisible earnings. The debt service ratio for 1992-93 and 1993-94 was 30.3% and 24.8% respectively. The debt service ratio figures for 1994-95 would be